

**CITY OF CARLSBAD
2012-2013
COMMUNITY DEVELOPMENT BLOCK GRANT/HOME PROGRAM
REQUEST FOR PROPOSALS**

I. Introduction

Funding for the federal Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act. The program provides grants on a formula basis to entitled cities and counties to develop viable urban communities through the provision of decent housing, a suitable living environment and by expanding economic opportunities for lower income persons.

Funding for the federal Home Investment Partnership (HOME) Program is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act. The program provides grants on a formula basis to entitled cities, counties and city/county consortiums to create affordable housing for lower income households. The City of Carlsbad receives HOME funds as a member of the San Diego County HOME Consortium, a group consisting of the County of San Diego and various cities in the county formed for the purpose of obtaining federal HOME funds.

II. Program Development

The City of Carlsbad is eligible to receive CDBG funds on an annual basis. In order for Carlsbad to receive the grants, a list of community development objectives must be developed along with an outline of proposed projects. The City of Carlsbad must also certify that it has followed an approved Consolidated Plan for Housing and Community Development and that not less than 70% of the CDBG funds will be used for activities that benefit low and moderate income persons. Low and moderate income guidelines are based upon household size and a chart is attached for your reference.

The City is eligible to receive HOME funds on an annual basis as a member of the San Diego County HOME Consortium. The City submits projects eligible for HOME funds to the Consortium for inclusion in the County's Consolidated Plan. The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90% of benefiting households must have incomes that are no more than 60% of the median family income for the area. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the area median income. The incomes of households receiving HOME assistance must not exceed 80% of the area median income.

III. Request for Proposals

The total amount of CDBG funds from the U.S. Department of Housing & Urban Development estimated to be available for Carlsbad in 2012-2013 is approximately \$593,250. This figure includes an estimated \$461,000 in new CDBG entitlement allocation, \$131,000 available from program income, and \$1,250 available for reallocation from prior year activities.

Of the \$593,250 total CDBG funds available, approximately \$92,000 will be used for the City's administration of the CDBG Program and \$70,000 will be available for eligible public service activities. Approximately \$215,625 will be available for public facilities, improvements and other eligible activities. Approximately \$215,625 in CDBG funds will be available for selected projects that will provide affordable housing opportunities in Carlsbad. Approximately \$255,000 will be available from the City's allocation of 2012-2013 HOME funds to assist in providing affordable housing opportunities for lower income households. Additional HOME funds from prior program years may be available for reallocation from other programs if a suitable proposal requires more than the estimated \$255,000 available in 2012-2013 program funding.

The combination of 2012-2013 CDBG and HOME funds being made available for affordable housing totals approximately \$470,000. Specifically, the \$470,000 will be targeted for use in acquisition of property for affordable housing purposes.

Organizations are strongly discouraged from applying for funds unless they are ready to implement the activity proposed for funding. A matching funds requirement will be applied to CDBG funded public facilities/improvement activities, and documentation showing use of matching funds will be required prior to distribution of CDBG funds for activities under that category. CDBG funding for amounts of \$100,000 or more may be made in the form of a deferred, no interest loan, to be forgiven in twenty years if the facility remains in use for purposes as stated in the application.

It is the intent of the City to only approve CDBG/HOME assisted projects that do not result in the displacement of lower income persons from their homes. Therefore, all persons submitting project proposals to the City should consider the displacement impact upon lower income households.

IV. Submission of Request For Proposals

All persons, organizations, agencies, etc. wishing to submit an application for funding consideration under the CDBG/HOME program must obtain a "Funding Proposal Application" from the City of Carlsbad Housing and Neighborhood Services Department. Interested persons may request a Funding Proposal Application by calling (760) 434-2818, or by sending a request via internet email to frank.boensch@carlsbadca.gov.

Organizations that have not received CDBG/HOME funds from the City of Carlsbad within the last three years must attend an orientation meeting on December 1, 2011 at 3:00 PM. Applications for funding will not be accepted from organizations that have not received CDBG/HOME funds from the City within the last three years if they do not have a representative attend the orientation meeting.

Ten copies of each project proposal must be submitted to the attention of Frank Boensch prior to 5:00 p.m. on December 12, 2011 at the following address:

CITY OF CARLSBAD
HOUSING & NEIGHBORHOOD SERVICES
1200 CARLSBAD VILLAGE DRIVE
CARLSBAD, CA 92008

V. Technical Assistance/Questions or Comments

City staff is available to provide technical assistance in preparing applications and to answer questions regarding the application review process. Please contact Frank Boensch at (760) 434-2818 for information regarding technical assistance or if you have questions or comments on the CDBG/HOME Program.